

**Executive Summary – Enforcement Matter – Case No. 48278**

**ConocoPhillips Company**

**RN102495884**

**Docket No. 2014-0252-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Borger Refinery, State Spur 119 North, Borger, Hutchinson County

**Type of Operation:**

Petroleum refinery

**Other Significant Matters:**

Additional Pending Enforcement Actions: Yes, Docket No. 2013-2001-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** August 8, 2014

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$76,017

**Amount Deferred for Expedited Settlement:** \$15,203

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$30,407

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$30,407

Name of SEP: Borger Independent School District (Third-Party Pre-Approved)

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002 and September 2011

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** April 16, 2012 through April 25, 2012, August 9, 2013, December 19, 2013, and February 13, 2014

**Date(s) of NOE(s):** July 24, 2012

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***Violation Information***

1. Failed to operate the Hydrogen Sulfide (“H<sub>2</sub>S”) Flare, Emissions Point No. (“EPN”) 66FL6, with a constant pilot flame. Specifically, the pilot flame was out on July 11, July 14, and November 11, 2010 due to rainstorms and a lack of fuel gas [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, Special Conditions (“SC”) No. 2.B., and Federal Operating Permit (“FOP”) No. O1440, Special Terms and Conditions (“STC”) No. 20].
2. Failed to maintain the exhaust temperature of a stationary reciprocating combustion engine so that the catalyst inlet temperature is greater than or equal to 750 degrees Fahrenheit (“°F”). Specifically, the four hour average catalyst inlet temperature for Engine 43 fell below 750°F for 18 hours on March 8 and 9, 2011 due to equipment damage [30 TEX. ADMIN. CODE §§ 101.20(2) and 113.1090, 40 CODE OF FEDERAL REGULATIONS § 63.6640(a), and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to maintain the incinerator firebox exit temperature at or above 1,180°F. Specifically, the firebox exit temperature of Tail Gas Incinerator (“TGI”) 43 fell below 1,180°F for one hour on January 6, 2011 during a process upset [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 8, and FOP No. O1440, STC No. 20].
4. Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,145 pounds (“lbs”) of sulfur dioxide (“SO<sub>2</sub>”), 47 lbs of volatile organic compounds (“VOC”), 34 lbs of H<sub>2</sub>S, 15 lbs of carbon monoxide (“CO”), and 8 lbs of nitrogen oxides (“NO<sub>x</sub>”) from EPNs 66FL12, 66FL3, and 66FL1 during an avoidable emissions event (Incident No. 164088) that began on January 25, 2012 and lasted one hour. The event occurred when the Unit 42 Flash Gas Compressor was shut down due to liquid carry over from the Unit 42 Naphtha Flash Drum when two high pressure Naphtha circulation pumps failed to perform. Since this event could have been avoided through better maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20].
5. Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 74% opacity and released 5,427 lbs of CO, 4,420 lbs of particulate matter (“PM”), 22.9 lbs of VOC, 223.9 lbs of SO<sub>2</sub>, 86 lbs of NO<sub>x</sub>, 2.3 lbs of nickel, and 0.2 lb of lead from EPNs 66FL12, 40P1, 43I1, and 34I1 during an avoidable emissions event (Incident No. 163677) that began on January 12, 2012 and lasted 22 hours and eight minutes. The event occurred when the steam supply to the Plant was interrupted due to shut down of Unit 2 at the Blackhawk Power Plant. Since this event was inaccurately reported and

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could have been foreseen and avoided because it is part of a frequent or recurring pattern, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20].

6. Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 62% opacity and released 17,400 lbs of PM, 177 lbs of NO<sub>x</sub>, 149 lbs of VOC, 60 lbs of CO, 15 lbs of SO<sub>2</sub>, 2.6 lbs of nickel, and 0.5 lb of lead from EPNs 66FL12 and 85B2 during an avoidable emissions event (Incident No. 164725) that began on February 11, 2012 and lasted 20 hours and 42 minutes. The event occurred when the steam supply to the Plant was interrupted due to shut down of Unit 2 at the Blackhawk Power Plant. Since this event could have been foreseen and avoided because it is part of a frequent or recurring pattern, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20].

7. Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 94% opacity and released 25,245 lbs of PM, 569 lbs of CO, 3 lbs of nickel, and 1 lb of lead from EPN 29P1 during an avoidable emissions event (Incident No. 166118) that began on March 20, 2012 and lasted 20 hours. The event occurred when the Fluid Catalytic Cracking Unit No. 29 was shut down to repair the leaking catalyst transfer line. Since the event could have been prevented through better planning and is indicative of inadequate maintenance, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20].

8. Failed to submit a complete final record for Incident No. 163677. Specifically, the final record did not include emissions from EPN 66FL3 although it was involved in the event [30 TEX. ADMIN. CODE § 101.201(b)(1)(G) and (H) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

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***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent has implemented the following corrective measures:

- a. On March 9, 2011, shut down and repaired Engine 43 to ensure that the minimum catalyst inlet temperature is maintained at or above 750 °F, and on March 14, 2011, the monitoring tools were upgraded to show the correct catalyst inlet temperature;
- b. On October 29, 2011, took the H<sub>2</sub>S Flare, EPN 66FL6, out of service;
- c. By March 22, 2012, trained personnel on the importance of timely implementing the Borger Steam Shedding Plan that is designed to take units off-line, reduce feed rates, and immediately startup backup steam supply in order to minimize or eliminate emissions events due to similar causes as Incident Nos. 163677 and 164725;
- d. By March 29, 2012, welded overlays on all areas that an infrared scan determined additional coverage was needed and installed a new refractory to prevent hot spots that could result in leaks in order to prevent a recurrence of emissions events due to similar causes as Incident No. 166118;
- e. By June 15, 2012, revised Release Event Reporting Procedures and trained personnel on the importance of timely submitting complete and accurate final records for emissions events;
- f. By October 1, 2012, installed upgraded radar gauges and made piping modifications on the sour water surge drums to monitor and manage the oil level in the TGI in order to comply with the incinerator firebox exit temperature; and
- g. By December 20, 2012, upgraded the Safety Instrumented System connections, upgraded metallurgy to eliminate bypass around the flow orifice, and resized the secondary pump and flow controller for low flow conditions in order to prevent a recurrence of emissions events due to similar causes as Incident No. 164088.

**Technical Requirements:**

The Order will require the Respondent to implement and complete a Supplemental Environmental Project ("SEP"). (See SEP Attachment A)

***Litigation Information***

**Date Petition(s) Filed:** N/A  
**Date Answer(s) Filed:** N/A  
**SOAH Referral Date:** N/A  
**Hearing Date(s):** N/A  
**Settlement Date:** N/A

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***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Jessica Schildwachter, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-2617; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

**TCEQ SEP Coordinator:** Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

**Respondent:** Peter C. Stynes, Refinery Manager, ConocoPhillips Company, P.O. Box 271, Borger, Texas 79008

Sandy Keys, Environmental Team Lead, ConocoPhillips Company, P.O. Box 271, Borger, Texas 79008

**Respondent's Attorney:** N/A



**Attachment A**  
**Docket Number: 2014-0252-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>ConocoPhillips Company</b>
<b>Penalty Amount:</b>	<b>Sixty Thousand Eight Hundred Fourteen Dollars (\$60,814)</b>
<b>SEP Offset Amount:</b>	<b>Thirty Thousand Four Hundred Seven Dollars (\$30,407)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Borger Independent School District</b>
<b>Project Name:</b>	<b><i>Borger ISD Clean School Bus Replacement Program</i></b>
<b>Location of SEP:</b>	<b>Hutchinson County</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**  
a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Borger Independent School District** for the *Borger ISD Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel and gasoline buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel or gasoline school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Borger Independent School District SEP** and mail the contribution with a copy of the Agreed Order to:

Borger Independent School District  
200 East Ninth Street  
Borger, Texas 79008-1177

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	13-Jan-2014	<b>Screening</b>	13-Feb-2014	<b>EPA Due</b>	5-Oct-2014
	<b>PCW</b>	4-Jun-2014				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	ConocoPhillips Company
<b>Reg. Ent. Ref. No.</b>	RN102495884
<b>Facility/Site Region</b>	1-Amarillo
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	48278	<b>No. of Violations</b>	3
<b>Docket No.</b>	2014-0252-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Jessica Schildwachter
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	<b>\$12,500</b>
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<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>	Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.	
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<b>Compliance History</b>	205.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$25,625</b>
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Notes: Enhancement for one NOV with dissimilar violations, seven orders with denial of liability, and three orders without denial of liability. Reduction for six notices of intent to conduct an audit and three disclosures of violations.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	<b>-\$2,750</b>
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
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Total EB Amounts \$483  
 Approx. Cost of Compliance \$8,250  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$35,375</b>
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.8%	<b>Adjustment</b>	<b>\$266</b>
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided cost of compliance for Violation No. 1.

<b>Final Penalty Amount</b>	<b>\$35,641</b>
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$35,641</b>
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	<b>-\$7,128</b>
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	<b>\$28,513</b>
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Screening Date 13-Feb-2014

Docket No. 2014-0252-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 2 (September 2002)

Case ID No. 48278

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

### Compliance History Worksheet

#### >> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	7	140%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	3	75%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	6	-6%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	3	-6%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 205%

#### >> Repeat Violator (Subtotal 3)

No

**Adjustment Percentage (Subtotal 3)** 0%

#### >> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

**Adjustment Percentage (Subtotal 7)** 0%

#### >> Compliance History Summary

**Compliance History Notes**

Enhancement for one NOV with dissimilar violations, seven orders with denial of liability, and three orders without denial of liability. Reduction for six notices of intent to conduct an audit and three disclosures of violations.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 205%

Screening Date 13-Feb-2014

Docket No. 2014-0252-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 2 (September 2002)

Case ID No. 48278

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, Special Conditions ("SC") No. 2.B., and Federal Operating Permit ("FOP") No. O1440, Special Terms and Conditions ("STC") No. 20

Violation Description

Failed to operate the Hydrogen Sulfide ("H2S") Flare, Emissions Point No. ("EPN") 66FL6, with a constant pilot flame. Specifically, the pilot flame was out on July 11, July 14, and November 11, 2010 due to rainstorms and a lack of fuel gas.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 3

3 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$7,500

Three single events are recommended for the three days the pilot flame was out.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective actions on October 29, 2011, prior to the July 24, 2012 NOE.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$396

Violation Final Penalty Total \$21,158

This violation Final Assessed Penalty (adjusted for limits) \$21,158

# Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$2,000	11-Jul-2010	29-Oct-2011	1.30	\$130	n/a	\$130

**Notes for DELAYED costs**

Estimated cost to take the H2S Flare out of service. The date required is the date of the first outage. The final date is the date that corrective actions were completed.

### Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$250	11-Jul-2010	11-Nov-2010	1.25	\$16	\$250	\$266

**Notes for AVOIDED costs**

Estimated avoided cost to operate the H2S Flare with a constant flame. The date required is the date of the first outage. The final date is the date of the last outage.

Approx. Cost of Compliance

\$2,250

**TOTAL**

\$396

Screening Date 13-Feb-2014

Docket No. 2014-0252-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 2 (September 2002)

Case ID No. 48278

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2) and 113.1090, 40 Code of Federal Regulations § 63.6640(a), and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to maintain the exhaust temperature of a stationary reciprocating combustion engine so that the catalyst inlet temperature is greater than or equal to 750 degrees Fahrenheit ("°F"). Specifically, the four hour average catalyst inlet temperature for Engine 43 fell below 750°F for 18 hours on March 8 and 9, 2011 due to equipment damage.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual				X	25%
Potential					

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0%

Matrix Notes Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 2 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$2,500

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$625

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	(mark with x)

Notes The Respondent completed corrective actions on March 9, 2011, prior to the July 24, 2012 NOE.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$7,053

This violation Final Assessed Penalty (adjusted for limits) \$7,053

# Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media** Air  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	8-Mar-2011	9-Mar-2011	0.00	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to shut down and repair Engine 43 to ensure that the minimum catalyst inlet temperature is maintained at or above 750°F and to upgrade the monitoring tools to show the correct catalyst inlet temperature. The date required is the date the violation began. The final date is the date that corrective actions were completed.

### Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

**TOTAL**

\$1

Screening Date 13-Feb-2014

Docket No. 2014-0252-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 2 (September 2002)

Case ID No. 48278

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 8, and FOP No. O1440, STC No. 20

Violation Description

Failed to maintain the incinerator firebox exit temperature at or above 1,180°F. Specifically, the firebox exit temperature of Tail Gas Incinerator ("TGI") 43 fell below 1,180°F for one hour on January 6, 2011 during a process upset.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$2,500

One quarterly event is recommended.

Good Faith Efforts to Comply

10.0% Reduction

\$250

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		X
N/A		(mark with x)

Notes

The Respondent completed corrective actions by October 1, 2012, after the July 24, 2012 NOE.

Violation Subtotal \$2,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$87

Violation Final Penalty Total \$7,430

This violation Final Assessed Penalty (adjusted for limits) \$7,430

# Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media** Air  
**Violation No.** 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	6-Jan-2011	1-Oct-2012	1.74	\$87	n/a	\$87

Notes for DELAYED costs

Estimated cost to install upgraded radar gauges and make piping modifications on the sour water surge drums to monitor and manage the oil level in the TGI in order to comply with the incinerator firebox exit temperature. The date required is the date the violation occurred. The final date is the date that corrective actions were completed.

### Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance	\$1,000	<b>TOTAL</b>	\$87
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# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

<b>DATES</b>	<b>Assigned</b>	13-Jan-2014	<b>Screening</b>	13-Feb-2014	<b>EPA Due</b>	5-Oct-2014
	<b>PCW</b>	4-Jun-2014				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	ConocoPhillips Company
<b>Reg. Ent. Ref. No.</b>	RN102495884
<b>Facility/Site Region</b>	1-Amarillo
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	48278	<b>No. of Violations</b>	5
<b>Docket No.</b>	2014-0252-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Jessica Schildwachter
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	<b>\$22,750</b>
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<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>	Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.	
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<b>Compliance History</b>	<b>100.0%</b> Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$22,750</b>
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Notes: Enhancement for one NOV with dissimilar violations, seven orders with denial of liability, and three orders without denial of liability. Reduction for six notices of intent to conduct an audit and three disclosures of violations.

<b>Culpability</b>	No	<b>0.0%</b> Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	<b>-\$5,124</b>
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<b>Economic Benefit</b>	<b>0.0%</b> Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
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Total EB Amounts \$122  
 Approx. Cost of Compliance \$13,500  
 \*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$40,376</b>
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	<b>0.0%</b>	<b>Adjustment</b>	<b>\$0</b>
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

<b>Final Penalty Amount</b>	<b>\$40,376</b>
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$40,376</b>
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<b>DEFERRAL</b>	<b>20.0%</b> Reduction	<b>Adjustment</b>	<b>-\$8,075</b>
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	<b>\$32,301</b>
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**Screening Date** 13-Feb-2014

**Docket No.** 2014-0252-AIR-E

**PCW**

**Respondent** ConocoPhillips Company

Policy Revision 3 (September 2011)

**Case ID No.** 48278

PCW Revision August 3, 2011

**Reg. Ent. Reference No.** RN102495884

**Media [Statute]** Air

**Enf. Coordinator** Jessica Schildwachter

### Compliance History Worksheet

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	7	140%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	3	75%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	6	-6%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	3	-6%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 205%

>> **Repeat Violator (Subtotal 3)**

No

**Adjustment Percentage (Subtotal 3)** 0%

>> **Compliance History Person Classification (Subtotal 7)**

Satisfactory Performer

**Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement for one NOV with dissimilar violations, seven orders with denial of liability, and three orders without denial of liability. Reduction for six notices of intent to conduct an audit and three disclosures of violations.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 205%

>> **Final Compliance History Adjustment**

**Final Adjustment Percentage \*capped at 100%** 100%

Screening Date 13-Feb-2014

Docket No. 2014-0252-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 3 (September 2011)

Case ID No. 48278

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, Special Conditions ("SC") No. 1, and Federal Operating Permit ("FOP") No. O1440, Special Terms and Conditions ("STC") No. 20

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,145 pounds ("lbs") of sulfur dioxide ("SO2"), 47 lbs of volatile organic compounds ("VOC"), 34 lbs of hydrogen sulfide ("H2S"), 15 lbs of carbon monoxide ("CO"), and 8 lbs of nitrogen oxides ("NOx") from Emissions Point Nos. ("EPNs") 66FL12, 66FL3, and 66FL1 during an avoidable emissions event (Incident No. 164088) that began on January 25, 2012 and lasted one hour. The event occurred when the Unit 42 Flash Gas Compressor was shut down due to liquid carry over from the Unit 42 Naphtha Flash Drum when two high pressure Naphtha circulation pumps failed to perform. Since this event could have been avoided through better maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

10.0% Reduction

\$375

Before NOV NOV to EDRP/Settlement Offer

Extraordinary		
Ordinary		x
N/A		(mark with x)

Notes

The Respondent completed corrective actions by December 20, 2012, after the July 24, 2012 NOE.

Violation Subtotal \$3,375

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$90

Violation Final Penalty Total \$7,125

This violation Final Assessed Penalty (adjusted for limits) \$7,125

# Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$2,000	25-Jan-2012	20-Dec-2012	0.90	\$90	n/a	\$90

**Notes for DELAYED costs**

Estimated cost to upgrade the Safety Instrumented System connections, upgrade metallurgy to eliminate bypass around the flow orifice, and resize the secondary pump and flow controller for low flow conditions in order to prevent a recurrence of emissions events due to similar causes as Incident No. 164088. The date required is the date of the emissions event. The final date is the date that corrective actions were completed.

### Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$2,000

**TOTAL** \$90

Screening Date 13-Feb-2014

Docket No. 2014-0252-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 3 (September 2011)

Case ID No. 48278

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 74% opacity and released 5,427 lbs of CO, 4,420 lbs of particulate matter ("PM"), 22.9 lbs of VOC, 223.9 lbs of SO2, 86 lbs of NOx, 2.3 lbs of nickel, and 0.2 lb of lead from EPNs 66FL12, 40P1, 43I1, and 34I1 during an avoidable emissions event (Incident No. 163677) that began on January 12, 2012 and lasted 22 hours and eight minutes. The event occurred when the steam supply to the Plant was interrupted due to shut down of Unit 2 at the Blackhawk Power Plant. Since this event was inaccurately reported and could have been foreseen and avoided because it is part of a frequent or recurring pattern, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual				X	15.0%
Potential					

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
					0.0%

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 Number of violation days 1

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$937

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes The Respondent completed corrective actions by March 22, 2012, before the July 24, 2012 NOE.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$10

Violation Final Penalty Total \$6,563

This violation Final Assessed Penalty (adjusted for limits) \$6,563

# Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media** Air  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	12-Jan-2012	22-Mar-2012	0.19	\$10	n/a	\$10

#### Notes for DELAYED costs

Estimated cost to train personnel on the importance of timely implementing the Borger Steam Shedding Plan that is designed to take units off-line, reduce feed rates, and immediately startup backup steam supply in order to minimize or eliminate emissions events due to similar causes as Incident Nos. 163677 and 164725. The date required is the date the first emissions event began. The final date is the date that corrective actions were completed.

### Avoided Costs

#### ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

#### Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

**TOTAL**

\$10

Screening Date 13-Feb-2014

Docket No. 2014-0252-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 3 (September 2011)

Case ID No. 48278

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 62% opacity and released 17,400 lbs of PM, 177 lbs of NOx, 149 lbs of VOC, 60 lbs of CO, 15 lbs of SO2, 2.6 lbs of nickel, and 0.5 lb of lead from EPNs 66FL12 and 85B2 during an avoidable emissions event (Incident No. 164725) that began on February 11, 2012 and lasted 20 hours and 42 minutes. The event occurred when the steam supply to the Plant was interrupted due to shut down of Unit 2 at the Blackhawk Power Plant. Since this event could have been foreseen and avoided because it is part of a frequent or recurring pattern, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual		x		30.0%
	Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 Number of violation days 1

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective actions by March 22, 2012, before the July 24, 2012 NOE.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$13,125

This violation Final Assessed Penalty (adjusted for limits) \$13,125

# Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media** Air  
**Violation No.** 3

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in Violation No. 2.

### Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

**TOTAL**

\$0

Screening Date 13-Feb-2014

Docket No. 2014-0252-AIR-E

PCW

Respondent ConocoPhillips Company

Policy Revision 3 (September 2011)

Case ID No. 48278

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102495884

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent experienced 94% opacity and released 25,245 lbs of PM, 569 lbs of CO, 3 lbs of nickel, and 1 lb of lead from EPN 29P1 during an avoidable emissions event (Incident No. 166118) that began on March 20, 2012 and lasted 20 hours. The event occurred when the Fluid Catalytic Cracking Unit No. 29 was shut down to repair the leaking catalyst transfer line. Since the event could have been prevented through better planning and is indicative of inadequate maintenance, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual		x		30.0%
	Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Based on the Air Quality Analysis of modeling provided by the Respondent, human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 Number of violation days 1

mark only one with an x	daily	
	weekly	
	monthly	x
	quarterly	
	semiannual	
	annual	
	single event	

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction \$1,875

	Reduction	
	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective actions by March 29, 2012, before the July 24, 2012 NOE.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$12

Violation Final Penalty Total \$13,125

This violation Final Assessed Penalty (adjusted for limits) \$13,125

# Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media** Air  
**Violation No.** 4

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	20-Mar-2012	29-Mar-2012	0.02	\$12	n/a	\$12

**Notes for DELAYED costs**

Estimated cost to weld overlays on all areas that an infrared scan determined additional coverage was needed and install a new refractory to prevent hot spots that could result in leaks in order to prevent a recurrence of emissions events due to similar causes as Incident No. 166118. The date required is the date of the emissions event. The final date is the date that corrective actions were completed.

### Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

<b>Approx. Cost of Compliance</b>	\$10,000	<b>TOTAL</b>	\$12
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**Screening Date** 13-Feb-2014  
**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media [Statute]** Air  
**Enf. Coordinator** Jessica Schildwachter

**Docket No.** 2014-0252-AIR-E

**PCW**

Policy Revision 3 (September 2011)  
 PCW Revision August 3, 2011

**Violation Number** 5

**Rule Cite(s)** 30 Tex. Admin. Code § 101.201(b)(1)(G) and (H) and Tex. Health & Safety Code § 382.085(b)

**Violation Description** Failed to submit a complete final record for Incident No. 163677. Specifically, the final record did not include emissions from EPN 66FL3 although it was involved in the event.

**Base Penalty** \$25,000

**>> Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
		Actual			
Potential					

**>> Programmatic Matrix**

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
				x	

The Respondent met at least 70% of the rule requirements.

**Adjustment** \$24,750

\$250

**Violation Events**

Number of Violation Events  Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

**Violation Base Penalty** \$250

One single event is recommended.

**Good Faith Efforts to Comply**

**25.0%** Reduction  \$62

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

**Notes** The Respondent completed corrective actions by June 15, 2012, before the July 24, 2012 NOE.

**Violation Subtotal** \$188

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$10

**Violation Final Penalty Total** \$438

**This violation Final Assessed Penalty (adjusted for limits)** \$438

# Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 48278  
**Reg. Ent. Reference No.** RN102495884  
**Media** Air  
**Violation No.** 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	26-Jan-2012	15-Jun-2012	0.39	\$10	n/a	\$10

#### Notes for DELAYED costs

Estimated cost to revise Release Event Reporting Procedures and train personnel on the importance of timely submitting complete and accurate final records for emissions events. The date required is the date the final report was submitted for Incident No. 163677. The final date is the date that corrective actions were completed.

### Avoided Costs

#### ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

#### Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

**TOTAL**

\$10



# Compliance History Report

**PUBLISHED** Compliance History Report for CN601674351, RN102495884, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

<b>Customer, Respondent, or Owner/Operator:</b>	CN601674351, ConocoPhillips Company	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	5.69
<b>Regulated Entity:</b>	RN102495884, BORGER REFINERY	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	21.06
<b>Complexity Points:</b>	50	<b>Repeat Violator:</b>	NO		
<b>CH Group:</b>	02 - Oil and Petroleum Refineries				
<b>Location:</b>	STATE SPUR 119 N, BORGER, TX, HUTCHINSON COUNTY				
<b>TCEQ Region:</b>	REGION 01 - AMARILLO				

## ID Number(s):

**POLLUTION PREVENTION PLANNING ID NUMBER P00529**

**POLLUTION PREVENTION PLANNING ID NUMBER P07213**

**WASTEWATER PERMIT WQ0001064000**  
**AIR NEW SOURCE PERMITS PERMIT 9868A**  
**AIR NEW SOURCE PERMITS REGISTRATION 11449A**  
**AIR NEW SOURCE PERMITS REGISTRATION 11429A**  
**AIR NEW SOURCE PERMITS REGISTRATION 22777**  
**AIR NEW SOURCE PERMITS PERMIT 43073**  
**AIR NEW SOURCE PERMITS AFS NUM 4823300015**  
**AIR NEW SOURCE PERMITS PERMIT 71385**  
**AIR NEW SOURCE PERMITS REGISTRATION 82659**  
**AIR NEW SOURCE PERMITS PERMIT 85872**  
**AIR NEW SOURCE PERMITS REGISTRATION 90208**  
**AIR NEW SOURCE PERMITS REGISTRATION 87458**  
**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX102M8**  
**AIR NEW SOURCE PERMITS REGISTRATION 98518**  
**AIR NEW SOURCE PERMITS REGISTRATION 99365**  
**AIR NEW SOURCE PERMITS REGISTRATION 105116**  
**AIR NEW SOURCE PERMITS REGISTRATION 99345**  
**AIR NEW SOURCE PERMITS REGISTRATION 105233**  
**AIR NEW SOURCE PERMITS REGISTRATION 107922**  
**AIR NEW SOURCE PERMITS REGISTRATION 105235**  
**AIR NEW SOURCE PERMITS REGISTRATION 107921**  
**AIR NEW SOURCE PERMITS REGISTRATION 105237**  
**AIR NEW SOURCE PERMITS REGISTRATION 114429**  
**AIR NEW SOURCE PERMITS REGISTRATION 104928**  
**AIR NEW SOURCE PERMITS REGISTRATION 105147**  
**AIR NEW SOURCE PERMITS REGISTRATION 105236**  
**AIR OPERATING PERMITS PERMIT 1440**  
**UNDERGROUND INJECTION CONTROL PERMIT WDW380**  
**UNDERGROUND INJECTION CONTROL PERMIT WDW325**  
  
**WASTEWATER PERMIT TXG670145**  
  
**INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50078**  
**INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD980626774**  
**INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXP490351878**  
**LEAKING PETROLEUM STORAGE TANKS REMEDIATION ID NUMBER 95146**  
**LEAKING PETROLEUM STORAGE TANKS REMEDIATION ID NUMBER 109760**

**WASTEWATER EPA ID TX0009148**  
**AIR NEW SOURCE PERMITS REGISTRATION 11042A**  
**AIR NEW SOURCE PERMITS REGISTRATION 11935A**  
**AIR NEW SOURCE PERMITS REGISTRATION 14441A**  
**AIR NEW SOURCE PERMITS REGISTRATION 34417**  
**AIR NEW SOURCE PERMITS ACCOUNT NUMBER HW0018P**  
**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX102M6**  
**AIR NEW SOURCE PERMITS PERMIT 80799**  
**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1158**  
**AIR NEW SOURCE PERMITS EPA PERMIT PSDTX102M7**  
**AIR NEW SOURCE PERMITS REGISTRATION 90182**  
**AIR NEW SOURCE PERMITS REGISTRATION 87158**  
**AIR NEW SOURCE PERMITS REGISTRATION 95901**  
**AIR NEW SOURCE PERMITS REGISTRATION 96328**  
**AIR NEW SOURCE PERMITS REGISTRATION 100477**  
**AIR NEW SOURCE PERMITS REGISTRATION 99373**  
**AIR NEW SOURCE PERMITS REGISTRATION 102757**  
**AIR NEW SOURCE PERMITS REGISTRATION 114332**  
**AIR NEW SOURCE PERMITS REGISTRATION 118349**  
**AIR NEW SOURCE PERMITS REGISTRATION 105145**  
**AIR NEW SOURCE PERMITS REGISTRATION 115785**  
**AIR NEW SOURCE PERMITS REGISTRATION 112249**  
**AIR NEW SOURCE PERMITS REGISTRATION 114364**  
**AIR NEW SOURCE PERMITS REGISTRATION 105234**  
**AIR NEW SOURCE PERMITS REGISTRATION 106066**  
**AIR OPERATING PERMITS ACCOUNT NUMBER HW0018P**  
**AIR OPERATING PERMITS PERMIT 2166**  
**UNDERGROUND INJECTION CONTROL PERMIT WDW382**  
**IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 30111**  
**AIR EMISSIONS INVENTORY ACCOUNT NUMBER HW0018P**  
  
**INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 30111**  
**INDUSTRIAL AND HAZARDOUS WASTE OTS REQUEST 37309**  
  
**STORMWATER PERMIT TXR15W016**  
  
**LEAKING PETROLEUM STORAGE TANKS REMEDIATION ID NUMBER 95088**

Date Compliance History Report Prepared: March 28, 2014

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: March 28, 2009 to March 28, 2014

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Kimberly Morales

Phone: (713) 422-8938

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
3) If YES for #2, who is the current owner/operator? N/A
4) If YES for #2, who was/were the prior owner(s)/operator(s)? N/A
5) If YES, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

1 Effective Date: 05/18/2009 ADMINORDER 2008-1636-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Permit PERMIT
Special Condition No. 1 PERMIT

Description: Failed to comply with permitted emissions limits for nitrogen oxides. Specifically, on September 3, 2008, Refinery Boiler 2.4 (EPN 81B17) exceeded the nitrogen oxides emissions subcap limit.

2 Effective Date: 11/27/2009 ADMINORDER 2009-0129-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 111, SubChapter A 111.111(a)(1)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Conditions 1 and 23 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on June 1, 2008, a tube failure occurred on Boiler 2.4 causing a steam system upset impacting most of the plant: the gas oil hydrodesulfurizer hydrocarbons ("GOHDS HC") Flare [Emissions Point Number ("EPN") 66FL12], the Cat Flare (EPN 66FL3), Unit 40 Fluid Catalytic Cracking Unit ("FCCU") (EPN 40PI), Unit 34 Sulfur Recovery Unit ("SRU") Incinerator (EPN 34I1), and Unit 43 SRU (EPN 43I1) emitted . . . .

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 1 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on June 29, 2008, hydrocarbon contamination of the Central Still Amine Absorber caused a shut down, and the Unit 34 SRU Incinerator (EPN 34I1) emitted 464 lbs of SO2, 175 lbs of H2S, 2.1 lbs of NOX, and 0.55 lb of CO over a 34 minute period. Since these emissions could have been avoided by better design and/or operational practices, the emissions are not subject to an affirmative defense . . . .

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 116, SubChapter G 116.715(c)(7)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 1 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on July 19, 2008, the Unit 34 Tail Gas Treatment Unit stripper foamed, causing a unit shut down, and the Unit 34 SRU Incinerator (EPN 34I1) emitted 716 lbs of SO<sub>2</sub>, 7.62 lbs of H<sub>2</sub>S, 1.53 lbs of NO<sub>x</sub>, and 0.38 lb of CO over a 23 minute period. Since these emissions could have been avoided by better design and/or operational practices, the emissions are not subject to an affirmative defense . . .

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 1 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on July 29, 2008, flaring occurred at the atmospheric residual desulfurization ("ARDS") Flare (EPN 66FL12) due to a pressure increase in the first stage suction scrubber in the Flash Gas Compressor in Unit 41, and the flare emitted 639 lbs of SO<sub>2</sub>, seven lbs of H<sub>2</sub>S, 0.86 lb of NO<sub>x</sub>, 1.03 lbs of CO, and 3.37 lbs of VOC over a 20 minute period. Since these emissions were not timely reported . . . .

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)  
5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Patton Creek area without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)  
5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Area 1 (also known as North Coble) without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)  
5C THSC Chapter 382 382.0518(a)  
5C THSC Chapter 382 382.085(b)

Description: Failed to have authorization to operate a source of air emissions. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Area 3 without notice or authorization. Emissions data subsequently submitted by the Respondent on November 21, 2008, in connection with attempting to claim Permit by Rule authorization for the system, established that emissions were above those authorized by Permit by Rule.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)  
5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Area 4 without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)  
5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's HP-7 remediation site without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)  
5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Jackson's Hole remediation site without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)  
5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Old Canyon Dam (also known as Area 3A) without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)  
5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Lot 7 remediation site

without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter X 106.533(j)(1)(B)

5C THSC Chapter 382 382.085(b)

Description: Failed to notify the Amarillo Regional Office of the TCEQ prior to initiating remediation activities. Specifically, the Respondent began the operation of a soil and groundwater remediation system at the Plant's Old Caustic Pond remediation site without notifying the Amarillo Regional Office.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 2B PERMIT

Description: Failed to maintain instrument monitoring of the flare pilot flame. Specifically, the Non-Corrosive Flare's (EPN 66FL4) pilot flame was not monitored by instrument on the following dates: December 22, 2007, March 3, May 7, and May 8, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 2C PERMIT

Description: Failed to operate flares with no visible emissions, except for periods not to exceed a total of five minutes during any two consecutive hours. Specifically, those conditions were exceeded at the 100M Sour Water Treater Brine Flare Pit (EPN 66FL10) on March 13, 2008, at the ARDS Emergency Sulfur Flare (EPN 66FL13) on May 23, 2008, and at the Natural Gas Liquids Non-Corrosive Flare (EPN 66FL4) on March 7 and June 16, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 10 PERMIT

Description: Failed to operate the SRU Tail Gas Incinerator with no visible emissions, except for uncombined steam. Specifically, visible emissions were observed from the Unit 43 incinerator stack on January 11 and April 2, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 11 PERMIT

Description: Failed to operate the SRU thermal reactor at all times with a stable flame and to maintain the flame temperature at not less than 2,000 degrees Fahrenheit. Specifically, the SRU Unit 43 A's Thermal Reactor did not maintain the required flame and temperature on November 12, 2007.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 14 PERMIT

Description: Failed to maintain the SRU 43 sulfur pit connected to a vapor collection system which routes the recovered vapors back into the process. Specifically, the SRU Unit 43 vapor collection system was not operational on January 2 and April 9, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 28 PERMIT

Description: Failed to limit the fuel gas used to fire all of the Plant's heaters, boilers, and TGIs to a short term H2S concentration of no more than 162 parts per million volume. Specifically, the fuel gas exceeded that concentration on August 9, 2007 and March 9, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 41 PERMIT

Description: Failed to limit NOX emissions from an engine. Specifically, Engine 47 in Unit 12 (EPN 12E7), a White Superior engine, failed the NOx emissions limit of 2.0 grams per horse-power hour during a stack test on October 2, 2007.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 55 PERMIT

Description: Failed to ensure that a minimum coke moisture content of six percent by weight was maintained during coke handling and storage operations. Specifically, 60 samples taken between December 3, 2007 and December 23, 2008 showed moisture content between 0.7 and 5.95%.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC59B PERMIT

Description: Failed to take samples and perform moisture analyses of coke piles. Specifically, the Respondent failed to do the sampling and analyses on the following dates: November 27, December 13, December 21, December 23, December 27, 2007, January 30, February 4, April 21, and April 26, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.102(a)(1)  
5C THSC Chapter 382 382.085(b)

Description: Failed to limit PM emissions from the Unit 29 FCCU catalyst regenerator to no more than 1.0 kilograms per megagram (2.0 lb/ton). Specifically, a test conducted on December 6, 2007 showed that limit was exceeded.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 111, SubChapter A 111.111(a)(1)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 1 PERMIT  
SC 23 PERMIT

Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event on January 17, 2009, contaminated amine caused a temperature excursion and shut-down of the SRU 34 Feed Heater due to faulty level transmitters and the design of the level gauges, which made it difficult for plant operations to see the actual level of the absorbers. This condition, in turn, resulted in the following unauthorized emissions from the SRU incinerator (EPN 34I1): . . . .

3 Effective Date: 12/18/2009 ADMINORDER 2009-1156-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: No. 9868A and PSD-TX-10M7, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Flex Permit 9868A and PSD-TX-102, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions.

4 Effective Date: 09/26/2010 ADMINORDER 2010-0178-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: PSDTX102M7, Special Condition (SC) No.1 PERMIT

Description: Failure to prevent unauthorized emissions from the GOHDS flare on August 17, 2009.

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Provision No. 18 OP

Description: Failed to submit a complete deviation report no later than 30 days after the end of the reporting period.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.1090  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT ZZZZ 63.6640(a)  
5C THSC Chapter 382 382.085(b)

Description: Failure to maintain Unit 12, Engine 42's catalyst on March 27, 2009 so that the pressure drop across the catalyst does not exceed the limits established during the performance test.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.106(j)(1)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Terms and Conditions No. 1.A. OP

Description: Failure to collect one fresh feed sulfur sample once per eight-hour period.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(a)  
5C THSC Chapter 382 382.085(b)

Description: Failure to submit the initial required benzene reports within 90 days of startup for the following units, which were started in June 2007: Unit 50 (Coker), Unit 51 (Vacuum), and Unit 19.3 (Hydrogen).

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)  
5C THSC Chapter 382 382.085(b)

Description: Failure to submit a complete final report for emissions event No. 124305 which occurred on May 15, 2009.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: PSDTX102M7, SC No.1 PERMIT

Description: Failure to prevent unauthorized emissions from the Unit 34 incinerator stack on November 10, 2009.

5 Effective Date: 11/15/2010 ADMINORDER 2010-0675-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Flexible Permit 9868A, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions. Since this event could have been avoided by better maintenance procedures for air cooler belts, the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222 were not met.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Flexible Permit 9868A, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions. Since this event could have been avoided by either protecting the current power source, or ensuring backup power, the demonstrations for an affirmative defense in 30 Tex. Admin. Code § 101.222 were not met.

6 Effective Date: 05/08/2011 ADMINORDER 2010-1795-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Major

Citation: 30 TAC Chapter 122, SubChapter C 122.221(a)  
5C THSC Chapter 382 382.0541(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: O-01440 OP

Description: Failed to obtain significant revision of the Borger Refinery's federal operating permit, prior to the issuance of the revised federal operating permit in violation of 30 Tex. Admin. Code Ch. 122.221(a) and Tex. Health & Safety Code Ch. 382.0541(a)(1). Specifically, the respondent failed to obtain admendments associated with the modification to the Borger Refinery called the "Gasoline Benzene Reduction Project".

7 Effective Date: 11/03/2011 ADMINORDER 2011-0326-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: 9868A and PSDTX102M7, SC 1 PERMIT  
 Description: Failed to prevent unauthorized emissions.  
 Classification: Minor  
 Citation: 30 TAC Chapter 116, SubChapter F 116.615(4)  
 5C THSC Chapter 382 382.085(b)  
 Description: Failed to submit notification for the start of construction and completion of construction within 15 days of occurrence of the event.  
 Classification: Minor  
 Citation: 30 TAC Chapter 116, SubChapter F 116.615(5)  
 5C THSC Chapter 382 382.085(b)  
 Description: Failed to submit notification prior to the commencement of operation.  
 Classification: Moderate  
 Citation: 30 TAC Chapter 113, SubChapter C 113.1090  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT ZZZZ 63.6640(a)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: FOP O1440, General Terms and Conditions OP  
 Description: Failed to maintain the temperature of the stationary reciprocating internal combustion engine exhaust so the catalyst inlet temperature is greater than or equal to 750°F.  
 Classification: Moderate  
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(f)(2)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: 9868A and PSDTX102M7, SC 2.B. PERMIT  
 FOP O1440, ST&C 17.A. OP  
 Description: Failed to monitor the pilot flame with a thermocouple, an infrared monitor, or equivalent device.  
 Classification: Moderate  
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: 9868A and PSDTX102M7, SC 27 PERMIT  
 FOP O1440, ST&C 17.A. OP  
 Description: Failed to maintain the H2S concentration in the fuel gas used to fire all heaters, boilers, and tail gas incinerators below 162 ppmv.  
 Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.650(a)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT Q 63.427(a)(3)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: FOP O1440, General Terms and Conditions OP  
 Description: Failed to operate and maintain a continuous monitoring system capable of measuring the temperature of the thermal oxidizer.  
 Classification: Moderate  
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: 9868A and TSDTX102M7, SC 1 PERMIT  
 Description: Failed to prevent unauthorized emissions.

8 Effective Date: 02/18/2012 ADMINORDER 2011-1328-AIR-E (1660 Order-Agreed Order With Denial)  
 Classification: Moderate  
 Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THSC Chapter 382 382.085(b)  
 Rqmt Prov: Flexible Permit No. 9868A and PSDTX102M7 PERMIT  
 Description: The facility failed to prevent unauthorized emissions during the incident No. 152189 by failing to meet the

affirmative defense criteria (b)(2) and (b)(3) of the provisions of 30 TAC Chapter 101, §101.222(b). This facility is in violation of the provisions of 30 TAC Chapter 116, §116.715(a) and §382.085(b).

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Flexible Permit No. 9868A and PSDTX102M7 PERMIT

Description: The facility failed to prevent unauthorized emissions during the incident No. 152427 by failing to meet the affirmative defense criteria (b)(2) and (b)(3) of the provisions of 30 TAC Chapter 101, §101.222(b). This facility is in violation of the provisions of 30 TAC Chapter 116, §116.715(a) and §382.085(b).

9 Effective Date: 06/08/2012 ADMINORDER 2011-1680-IHW-E (1660 Order-Agreed Order With Denial)

Classification: Major

Citation: 30 TAC Chapter 335, SubChapter A 335.2(b)  
40 CFR Chapter 270, SubChapter I, PT 270, SubPT A 270.1(c)

Rqmt Prov: IV.B.1 PERMIT

Description: Failed to prevent the disposal of an unauthorized hazardous waste into a permitted waste management unit. Specifically, the Respondent disposed of 180 barrels of spent caustic waste (Hazardous Waste Code 2908019H) on July 10, 2011 into a permitted surface impoundment (Permitted Unit No. 2, Notice of Registration Waste Management Unit No. 032) which is a unit not authorized to receive this waste.

10 Effective Date: 11/16/2013 ADMINORDER 2013-0904-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC No. 1 PA

Description: Failed to prevent unauthorized emissions during the incident No. 177546 on December 30, 2012. Specifically, the incident failed the affirmative defense criteria of 30 TAC Chapter 101, §101.222(b)(2) and §101.222(b)(3).

#### B. Criminal convictions:

N/A

#### C. Chronic excessive emissions events:

N/A

#### D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	April 09, 2009	(702467)
Item 2	April 23, 2009	(805220)
Item 3	May 26, 2009	(805222)
Item 4	June 09, 2009	(748196)
Item 5	June 22, 2009	(805224)
Item 6	July 07, 2009	(759763)
Item 7	July 23, 2009	(805226)
Item 8	September 21, 2009	(805230)
Item 9	September 30, 2009	(776673)
Item 10	October 21, 2009	(805232)
Item 11	November 25, 2009	(805235)
Item 12	December 21, 2009	(786080)
Item 13	March 18, 2010	(831088)
Item 14	March 29, 2010	(797217)
Item 15	April 16, 2010	(831089)
Item 16	April 29, 2010	(800142)
Item 17	May 19, 2010	(803083)
Item 18	June 17, 2010	(846333)
Item 19	July 20, 2010	(860924)
Item 20	July 21, 2010	(863285)
Item 21	July 23, 2010	(842679)
Item 22	August 10, 2010	(843540)
Item 23	August 18, 2010	(866903)
Item 24	August 23, 2010	(869782)
Item 25	September 17, 2010	(873974)

**Published** Compliance History Report for CN601674351, RN102495884, Rating Year 2013 which includes Compliance History (CH) components from March 28, 2009, through March 28, 2014.

Item 26	September 20, 2010	(876720)
Item 27	October 20, 2010	(881569)
Item 28	October 21, 2010	(884246)
Item 29	October 31, 2010	(890615)
Item 30	November 17, 2010	(888087)
Item 31	December 01, 2010	(879347)
Item 32	December 15, 2010	(899000)
Item 33	December 20, 2010	(896313)
Item 34	December 31, 2010	(904867)
Item 35	January 05, 2011	(886112)
Item 36	January 10, 2011	(886730)
Item 37	January 20, 2011	(902371)
Item 38	February 01, 2011	(890887)
Item 39	February 03, 2011	(892932)
Item 40	February 22, 2011	(911813)
Item 41	March 14, 2011	(919092)
Item 42	March 18, 2011	(864531)
Item 43	April 07, 2011	(932364)
Item 44	April 20, 2011	(924940)
Item 45	May 16, 2011	(940793)
Item 46	May 20, 2011	(938094)
Item 47	June 16, 2011	(945466)
Item 48	July 11, 2011	(937169)
Item 49	July 14, 2011	(937214)
Item 50	July 20, 2011	(952690)
Item 51	July 21, 2011	(937524)
Item 52	August 10, 2011	(942876)
Item 53	August 17, 2011	(959376)
Item 54	September 16, 2011	(965407)
Item 55	October 06, 2011	(957987)
Item 56	October 11, 2011	(962081)
Item 57	October 18, 2011	(971448)
Item 58	November 17, 2011	(977606)
Item 59	November 22, 2011	(969323)
Item 60	December 16, 2011	(984372)
Item 61	January 16, 2012	(990671)
Item 62	January 23, 2012	(981085)
Item 63	March 12, 2012	(1003560)
Item 64	May 21, 2012	(1016516)
Item 65	June 19, 2012	(1024239)
Item 66	July 19, 2012	(1031631)
Item 67	August 17, 2012	(1038007)
Item 68	September 20, 2012	(1046745)
Item 69	October 19, 2012	(1061093)
Item 70	November 20, 2012	(1061094)
Item 71	December 19, 2012	(1061095)
Item 72	March 15, 2013	(1073715)
Item 73	March 20, 2013	(1089374)
Item 74	April 19, 2013	(1095765)
Item 75	May 20, 2013	(1106692)
Item 76	May 24, 2013	(1109558)
Item 77	June 17, 2013	(1095137)
Item 78	June 20, 2013	(1110366)
Item 79	July 12, 2013	(1117251)
Item 80	August 20, 2013	(1125009)
Item 81	September 20, 2013	(1129606)
Item 82	October 18, 2013	(1135338)
Item 83	November 20, 2013	(1140738)
Item 84	December 19, 2013	(1147195)
Item 85	January 20, 2014	(1153264)



No DOV Associated

Notice of Intent Date: 07/10/2012 (1022848)

No DOV Associated

Notice of Intent Date: 07/11/2013 (1104174)

Disclosure Date: 12/23/2013

Viol. Classification: Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-10

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-10(g)(1)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-10(g)(2)

Description: Failed to repair a PRV (LDAR #93-N704 in U40) that was identified as leaking as it was not repaired in 5 days that was due on 12/1/13, and it was also not repaired in 15 days that was due on 12/11/13. This was due to a database error.

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
CONOCOPHILLIPS COMPANY  
RN102495884**

**§  
§  
§  
§  
§**

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2014-0252-AIR-E**

**I. JURISDICTION AND STIPULATIONS**

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding ConocoPhillips Company ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a petroleum refinery at State Spur 119 North in Borger, Hutchinson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about July 29, 2012.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Seventy-Six Thousand Seventeen Dollars (\$76,017) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Thirty Thousand Four Hundred Seven Dollars (\$30,407) of the administrative penalty and Fifteen Thousand Two

Hundred Three Dollars (\$15,203) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Thirty Thousand Four Hundred Seven Dollars (\$30,407) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
  - a. On March 9, 2011, shut down and repaired Engine 43 to ensure that the minimum catalyst inlet temperature is maintained at or above 750 degrees Fahrenheit ("°F"), and on March 14, 2011, the monitoring tools were upgraded to show the correct catalyst inlet temperature;
  - b. On October 29, 2011, took the Hydrogen Sulfide ("H<sub>2</sub>S") Flare, Emissions Point No. ("EPN") 66FL6, out of service;
  - c. By March 22, 2012, trained personnel on the importance of timely implementing the Borger Steam Shedding Plan that is designed to take units off-line, reduce feed rates, and immediately startup backup steam supply in order to minimize or eliminate emissions events due to similar causes as Incident Nos. 163677 and 164725;
  - d. By March 29, 2012, welded overlays on all areas that an infrared scan determined additional coverage was needed and installed a new refractory to prevent hot spots that could result in leaks in order to prevent a recurrence of emissions events due to similar causes as Incident No. 166118;
  - e. By June 15, 2012, revised Release Event Reporting Procedures and trained personnel on the importance of timely submitting complete and accurate final records for emissions events;
  - f. By October 1, 2012, installed upgraded radar gauges and made piping modifications on the sour water surge drums to monitor and manage the oil level in the Tail Gas Incinerator ("TGI") in order to comply with the incinerator firebox exit temperature; and
  - g. By December 20, 2012, upgraded the Safety Instrumented System connections, upgraded metallurgy to eliminate bypass around the flow orifice, and resized the

secondary pump and flow controller for low flow conditions in order to prevent a recurrence of emissions events due to similar causes as Incident No. 164088.

10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to operate the H<sub>2</sub>S Flare, EPN 66FL6, with a constant pilot flame, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, Special Conditions ("SC") No. 2.B., and Federal Operating Permit ("FOP") No. O1440, Special Terms and Conditions ("STC") No. 20, as documented during an investigation conducted from April 16 to 25, 2012. Specifically, the pilot flame was out on July 11, July 14, and November 11, 2010 due to rainstorms and a lack of fuel gas.
2. Failed to maintain the exhaust temperature of a stationary reciprocating combustion engine so that the catalyst inlet temperature is greater than or equal to 750°F, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2) and 113.1090, 40 CODE OF FEDERAL REGULATIONS § 63.6640(a), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from April 16 to 25, 2012. Specifically, the four hour average catalyst inlet temperature for Engine 43 fell below 750°F for 18 hours on March 8 and 9, 2011 due to equipment damage.
3. Failed to maintain the incinerator firebox exit temperature at or above 1,180°F, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 8, and FOP No. O1440, STC No. 20, as documented during an investigation conducted from April 16 to 25, 2012. Specifically, the firebox exit temperature of TGI 43 fell below 1,180°F for one hour on January 6, 2011 during a process upset.
4. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20, as documented during an investigation conducted from April 16 to 25, 2012 and a record review conducted on December 19, 2013. Specifically, the Respondent released 3,145 pounds ("lbs") of sulfur dioxide ("SO<sub>2</sub>"), 47 lbs of volatile organic compounds ("VOC"), 34 lbs of H<sub>2</sub>S, 15 lbs of carbon monoxide ("CO"), and 8 lbs of nitrogen oxides

("NOx") from EPNs 66FL12, 66FL3, and 66FL1 during an avoidable emissions event (Incident No. 164088) that began on January 25, 2012 and lasted one hour. The event occurred when the Unit 42 Flash Gas Compressor was shut down due to liquid carry over from the Unit 42 Naphtha Flash Drum when two high pressure Naphtha circulation pumps failed to perform. Since this event could have been avoided through better maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

5. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20, as documented during an investigation conducted from April 16 to 25, 2012 and a record review conducted on December 19, 2013. Specifically, the Respondent experienced 74% opacity and released 5,427 lbs of CO, 4,420 lbs of particulate matter ("PM"), 22.9 lbs of VOC, 223.9 lbs of SO<sub>2</sub>, 86 lbs of NO<sub>x</sub>, 2.3 lbs of nickel, and 0.2 lb of lead from EPNs 66FL12, 40P1, 43I1, and 34I1 during an avoidable emissions event (Incident No. 163677) that began on January 12, 2012 and lasted 22 hours and eight minutes. The event occurred when the steam supply to the Plant was interrupted due to shut down of Unit 2 at the Blackhawk Power Plant. Since this event was inaccurately reported and could have been foreseen and avoided because it is part of a frequent or recurring pattern, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
6. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20, as documented during an investigation conducted from April 16 to 25, 2012 and a record review conducted on December 19, 2013. Specifically, the Respondent experienced 62% opacity and released 17,400 lbs of PM, 177 lbs of NO<sub>x</sub>, 149 lbs of VOC, 60 lbs of CO, 15 lbs of SO<sub>2</sub>, 2.6 lbs of nickel, and 0.5 lb of lead from EPNs 66FL12 and 85B2 during an avoidable emissions event (Incident No. 164725) that began on February 11, 2012 and lasted 20 hours and 42 minutes. The event occurred when the steam supply to the Plant was interrupted due to shut down of Unit 2 at the Blackhawk Power Plant. Since this event could have been foreseen and avoided because it is part of a frequent or recurring pattern, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
7. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Flexible Permit Nos. 9868A and PSDTX102M7, SC No. 1, and FOP No. O1440, STC No. 20, as documented during an investigation conducted from April 16 to 25, 2012 and a record review conducted on December 19, 2013. Specifically, the Respondent experienced 94% opacity and released 25,245 lbs of PM, 569 lbs of CO, 3 lbs of nickel, and 1 lb of lead from EPN 29P1 during an avoidable emissions event (Incident No. 166118) that began on March 20, 2012 and lasted 20 hours. The event occurred when the Fluid Catalytic Cracking Unit No. 29 was shut down to repair the leaking catalyst transfer line. Since the event could have been prevented through better planning and is indicative of inadequate maintenance, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

8. Failed to submit a complete final record for Incident No. 163677, in violation of 30 TEX. ADMIN. CODE § 101.201(b)(1)(G) and (H) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record reviews conducted on August 9, 2013 and February 13, 2014. Specifically, the final record did not include emissions from EPN 66FL3 although it was involved in the event.

### III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: ConocoPhillips Company, Docket No. 2014-0252-AIR-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Thirty Thousand Four Hundred Seven Dollars (\$30,407) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

Pam Mauric J  
For the Executive Director

9/11/14  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Peter C. Stynes  
Signature

June 25, 2014  
Date

Peter C. Stynes  
Name (Printed or typed)  
Authorized Representative of  
ConocoPhillips Company

Refinery Manager  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.



**Attachment A**  
**Docket Number: 2014-0252-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>ConocoPhillips Company</b>
<b>Penalty Amount:</b>	<b>Sixty Thousand Eight Hundred Fourteen Dollars (\$60,814)</b>
<b>SEP Offset Amount:</b>	<b>Thirty Thousand Four Hundred Seven Dollars (\$30,407)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Borger Independent School District</b>
<b>Project Name:</b>	<b><i>Borger ISD Clean School Bus Replacement Program</i></b>
<b>Location of SEP:</b>	<b>Hutchinson County</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**  
a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Borger Independent School District** for the *Borger ISD Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel and gasoline buses with newer buses that meet more stringent emission standards. The Third-Party Administrator shall use SEP Offset Amount for up to 100% of the purchase price of a model year 2010 or newer bus to replace a diesel or gasoline school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Borger Independent School District SEP** and mail the contribution with a copy of the Agreed Order to:

Borger Independent School District  
200 East Ninth Street  
Borger, Texas 79008-1177

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.